THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) to (c) The information is being collected and will be laid on the Table of the House.

Public schools under Income Tax rules

560. PROF. M.M. AGARWAL : Will the Minister of FINANCE be pleased to state:

(a) whether Government are contemplating to bring all public schools functioning at present in the country under the purview of the Income Tax net, in view of growing tendency to amass money;

(b) if so, the details thereof and if not, the reasons therefore; and

(c) the effective measures being taken or proposed to be taken by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) to (c) No fresh tax proposal is under consideration for levy of new taxes on the public schools. The public schools, however, are required to pay income-tax as per provisions of law unless their income is specifically exempt under section 10(23C) or section 11 of the Income-tax Act.

Deposits in Co-operative Banks

561. SHRI BRAHMAKUMAR BHATT: Will the Minister of FINANCE be pleased to state:

(a) whether there are some laws under which the ordinary depositors' deposits in the cooperative banks are safe;

(b) if so, whether depositors have been paid their deposits with interest after a cooperative bank has defaulted;

(c) if not, whether Government would frame laws to protect the interest of ordinary depositors; and

(d) if so, by when?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) to (d) Reserved Bank of India (RBI) has reported that deposits of the cooperative banks are insured by Deposit Insurance

and Credit Guarantee Corporation Ltd. (DICGC). Under the scheme, in the event of liquidation, reconstruction or amalgamation of an insured bank, every depositor of that bank is entitled to repayment of his deposits subject to a maximum of Rs. One lakh as per Deposit Insurance and Credit Guarantee Corporation Act. Government intends making appropriate legislative changes shortly to strentgthen the scheme.

Special Surcharge for Victims of Gujarat Quake

562. SHRI BRAHMAKUMAR BHATT: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware of the special surcharge of 2 per cent levied for victims of Gujarat Earthquake on 26th January, 2001;

(b) if so, the total amount collected from this surcharge;

(c) whether this amount was paid or transferred in the account of Government of Gujarat;

(d) if so, when and how; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PAT1L): (a) to (e) The 2% surcharge imposed on Corporation Tax and Income Tax in the aftermath of Gujarat earthquake is available to the Government of Gujarat through releases of assistance under National Calamity Contingency Fund (NCCF) and Non-Plan Grant for earthquake relief. An amount of Rs. 1467.37 crores has been released to the State under NCCF. and Non-Plan grant of Rs. 750 crore has been provided to the State Government for earthquake relief during 2001-02. This is against anticipated receipts of surcharge on Corporation and Income Tax subject to adjustment on receipt of final figures of the 2 percent surcharge levied in the wake of the Gujarat earthquake.

Mishandling of Funds by Banks

563. SHRI SANTOSH BAGRODIA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that top management of Banks is involved in diverting money to stock market as per the news-item of Economic Times dated the 26th September, 2001;